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TAGS: MARR PREL MASS TW CH SUBJECT: THE DIRECTOR'S INTRODUCTORY CALL ON DEFENSE

MINISTER KAO HUA-CHU

Classified By: the Director for reasons 1.4(b/d)

11. (U) SUMMARY: In an introductory meeting with Director on October 5, Defense Minister Kao Hua-chu reiterated that F-16 C/Ds, submarines, utility helicopters and the two remaining batteries of PAC-3 air defense missiles were Taiwan's most pressing priorities. Minister Kao also noted the continued importance of training and exchange programs with the U.S. military and the challenge of moving to an all-volunteer force. The Defense Minister observed that moving forward with CBMs with the PRC would be difficult absent domestic consensus in Taiwan. End Summary.

U.S.-Taiwan Relations

- 12. (U) The Director congratulated Kao on his recent appointment, extended his condolences to the families of victims of Typhoon Morakot, and expressed appreciation for Taiwan,s assistance after Hurricane Katrina and the recent tsunami in American Samoa. Kao in turn thanked the Director for U.S. assistance to recovery operations after Typhoon Morakot and urged further cooperation in Humanitarian Assistance/Disaster Relief (HA/DR) operations. The Taiwan military, Kao said, like others around the world, had been tasked to deal with HA/DR as "a new kind of war." In the wake of Typhoon Morakot, President Ma identified HA/DR as one of MND's core missions. Noting that another typhoon was approaching Taiwan, Kao said MND had begun preparations two weeks earlier, including military unit deployment drills and communications tests.
- 13. (C) The Director informed Minister Kao that he would travel to Honolulu later this week for meetings with other U.S. Chiefs of Mission from the region, as well as with EAP A/S Campbell and PACOM leaders. The United States was aware of the PRC's growing military strength, the Director said, noting that one of his mandates was to ensure Taiwan had the ability to defend itself. Although there were other issues in the bilateral relationship, such as extradition and trade, military cooperation was the most sensitive. The Minister responded that the PRC had showcased a number of domestically-produced weapons systems at the October 1 National Day parade. While some of these weapons were intended for use against Taiwan, some were clearly intended for use against U.S. forces, he said.
- $\underline{\P}4$. (C) Kao extended an invitation to USPACOM Commander, Admiral Keating, to visit Taiwan following his retirement later this month.

All Voluntary Force Transition

15. (C) One of the major challenges facing the Taiwan armed forces was its transition to an all-volunteer force (AVF), Kao told the Director. Particularly since the conscription period had been shortened in recent years, he said, an all volunteer force system was required to ensure a qualified and trained active duty force. Taiwan would approach this transition in a progressive manner and would also draw on the lessons learned from the U.S. experience in shifting to an AVF system. Implementing the costlier AVF would affect other parts of the defense budget, the Minister acknowledged.

Arms Acquisition Priorities

16. (C) Minister Kao highlighted the importance of weapons requested by Taiwan and continued training and exchange programs with the U.S. military. It was essential that Taiwan be able to defend its airspace, he emphasized, noting that PRC ballistic missiles and its electronic warfare capability were particularly threatening. Kao identified F-16 C/D fighters, submarines, utility helicopters, and the two remaining batteries of PAC-3 air defense missiles as Taiwan's most pressing priorities, stressing the defensive nature of these systems. The Director assured the Minister he would relay this information to A/S Campbell and the USPACOM leadership.

Cross-Strait Confidence Building Measures

 $\underline{\P}7.$ (C) The Director asked if MND had plans to discuss confidence-building measures (CBMs) with the PLA, noting that

other senior Taiwan officials in previous meetings had expressed some reluctance to do so. The Minister noted that in meetings with his Deputy Minister at the recent U.S.-Taiwan Defense Industry Conference in Charlottesville, U.S. officials had said they would welcome the establishment of cross-Strait CBMs. Kao said, however, that any discussion of military CBMs needed to be initiated at the highest level of the government. This would be difficult, he suggested, given the need for consensus among Taiwan's citizens. For now, the government would wait until the cross-Strait conditions were right. In the meantime, MND, working with think tanks, had established an internal task force to plan and prepare for CBM options.

Participants

18. (U) Other Taiwan attendees included Deputy Minister for Armament GEN Chaou Shih-chang, Vice Minister (AF) LtGen Lin Yu-pao, Minister,s Office Director LTG Shen Chueh-hsin, Director of the Strategic Planning Department VADM Lee Hsi-ming, and Joint Intelligence Analysis Center Director MG Liu Te-chin. COL Tony Chow, Chief of LAS Section, Mr. Tony Hu, Deputy Chief of TECH Section, and Mr. Dave Rank, Chief of POL Section attended from AIT/T.